COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REQUEST TO FILL VACANCIES ON)
WESTERN PULASKI COUNTY WATER) CASE NO. 2014-00040
DISTRICT BOARD OF COMMISSIONERS)

ORDER

Western Pulaski County Water District ("Western Pulaski District") has advised the Commission in writing of the existence of a vacancy on Western Pulaski District's Board of Commissioners due to the expiration of the term of an incumbent and has requested that the Commission appoint the incumbent to fill this vacancy. By this Order, we grant the request.

Western Pulaski District, a water district organized pursuant to KRS Chapter 74, owns and operates facilities that distribute water for compensation to approximately 8,164 customers in Pulaski, Russell, and Wayne counties, Kentucky.¹ As of December 31, 2012, Western Pulaski District had total assets of \$13,061,604.² For the calendar year ending December 31, 2012, it had total operating revenues of \$2,511,678.³

A five-member board of commissioners administers Western Pulaski District and has the statutory responsibility to "control and manage" the water district's affairs.⁴ The County Judge/Executive of Pulaski County appoints the water district commissioners

¹ Annual Report of Western Pulaski County Water District to the Public Service Commission of Kentucky for the Year Ended December 31, 2012 ("Annual Report") at 5 and 27.

² *Id.* at 7.

³ *Id*. at 11.

⁴ KRS 74.020(1).

with the approval of the Pulaski County Fiscal Court.⁵ Pursuant to KRS 74.020(1), the terms of the members of a water district's board of commissioners are staggered.⁶

Western Pulaski District reports that the term of Western Pulaski District Commissioner Randall Wilson expired on October 4, 2013.⁷ Since the expiration of Mr. Wilson's term, the Pulaski County Judge/Executive has not acted to appoint a successor. On January 30, 2014, Don Calder, Western Pulaski District's chairman, requested that the Commission fill the vacant term.⁸ He recommended that Mr. Wilson be reappointed to fill the vacant position.

On February 27, 2014, we initiated this proceeding to fill the existing vacancy. To ensure notice to all persons with a significant interest in this matter, the Commission ordered that Western Pulaski District, Pulaski County Judge/Executive Barty Bullock, Pulaski County Fiscal Court, and Mr. Wilson be made parties to this proceeding. We further directed Western Pulaski District and Mr. Wilson to provide information regarding his personal background and afforded all parties the opportunity to nominate additional persons to fill the existing vacancy. Western Pulaski District and Mr. Wilson have responded to the Commission's directives to provide information.

⁵ KRS 74.020(1)(a). Although Western Pulaski District is located in three counties, approximately 94 percent of Western Pulaski District's assets are located in Pulaski County, Kentucky. See Case No. 2012-00052, *Request to Fill Vacancies on Western Pulaski County Water District Board of Commissioners*; Western Pulaski District's Response to the Commission's Order of February 27, 2012, Item 10 (filed Mar. 16, 2012). Neither the County Judge/Executive of Russell nor Wayne Counties is entitled to appoint a member of the Board of Commissioners until 25 percent of the total assets of the Western Pulaski District's distribution system are located in his or her county. *See* KRS 74.020(1)(c).

⁶ See KRS 74.020(1)(a) ("Initial appointments shall be for terms of two (2), three (3), and four (4) years, as designated by the Court").

Letter from Don Calder, Chairman, Western Pulaski County Water District, to Jeff Derouen, Executive Director, Public Service Commission (Jan. 30, 2014); Western Pulaski District's Response to the Commission's Order of February 27, 2014, Item 2 (filed Mar. 10, 2014).

⁸ Mr. Calder wrote the Commission to request Commission assistance in the reappointment of a commissioner. The Commission considers this letter as an application to make an appointment to fill the vacancy.

Pursuant to KRS 74.020(1)(a), a county judge/executive appoints water district commissioners with the approval of the county's fiscal court. KRS 74.020(4), however, provides that the Commission shall fill a vacancy on the board of commissioners "if, within ninety (90) days following the vacancy, the vacancy has not been filled by the appropriate county judge/executive with approval of the fiscal court."

The Commission finds that a vacancy currently exists on Western Pulaski District's Board of Commissioners. We also find that the vacancy has existed for longer than 90 days. Accordingly, the Commission has the statutory responsibility to fill the vacancy.

In making our selection, the Commission must consider the totality of the circumstances, including the education, business and management experience, and personal history of the proposed candidates, and the existing financial and operating condition of the water district. Based upon our review of the evidence of record, we find no information to suggest that Mr. Wilson is unqualified to serve in the designated position. We further find that Mr. Wilson resides within Western Pulaski District's territory and possesses adequate education, business skills, and experience to perform the duties of water district commissioner.

Having reviewed the evidence of record, we find that Mr. Wilson by virtue of his background and his extensive service as a water district commissioner is qualified to serve as a commissioner. There is no allegation of which this Commission is aware that he is less than competent to fulfill the role of commissioner.

IT IS THEREFORE ORDERED that:

Randall Wilson is appointed to fill the existing vacancy on Western Pulaski District's Board of Commissioners. His term shall expire October 4, 2017.

By the Commission

ENTERED

APR 0 1 2014

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST

Executive Director

Case No. 2014-00040

Hon. Barty Bullock Pulaski County Judge Executive 100 N. Main Street, Suite 202 Somerset, KENTUCKY 42501

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